



Press Release
31.03.2022

Enforcement Directorate (ED) has arrested Gyan Prakash Sarawgi, Director of M/s Sarawgi Builders & Promoters Pvt. Ltd. on 29.03.2022 under the Prevention of Money Laundering Act (PMLA), 2002 in a case relating to availing bank loans fraudulently on the pretext of investing the same in textiles and garments. The accused Gyan Prakash Sarawgi was produced before the Hon'ble Additional District & Sessions Judge under PMLA, Ranchi and the court granted 7 days ED custody of the accused.

ED initiated money laundering investigation on the basis of 3 FIRs registered by the CBI, Economic Offence Wing (EOW), Ranchi against M/s Sarawgi Builders & Promoters Pvt. Ltd. and others. The total amount of fraud/ NPAs as per these FIRs worked out to Rs. 31.24 Crore. However, during the course of investigation under PMLA, the quantum of proceeds of crime was found to be in excess of Rs 75 Crore.

Investigation by ED revealed that bank loans were finally laundered into the accounts of M/s Sarawgi Builders and promoters Pvt. Ltd., which was primarily engaged in Real Estate business through a maze of transactions involving many intermediary companies. Investigation has further revealed that the bank loans were utilized to create and acquire immovable properties which have been disposed off by him and the proceeds so obtained have also been siphoned off through numerous bank accounts under his control.

Searches were earlier conducted at the residential as well as business premises of the accused person Gyan Prakash Sarawgi & others on 15.12.2021 wherein several incriminating documents were seized. The scrutiny of such documents have revealed that the accused person and others have indulged in large value transactions both in cash as well as through banking channels which appeared fictitious.

Further investigation into the case is in progress.
